

## CHAPTER 4

MISCELLANEOUS ADVANCE PAYMENTS0401 ADVANCE PAYMENTS040101 General

A. Prohibition Against Advances. Title 31, U.S.C., section 3324 prohibits payments in advance for delivery of supplies or rendering of services with certain exceptions. Money cannot be advanced unless authorized specifically by an appropriation act or specific statutory authority.

## B. Authority for Advances.

1. Under 10 U.S.C. 2307, advance payments may be made to small business concerns which meet the requirements of law and receive the proper authorizations.

2. Advance payments on formally advertised contracts are made under the authority of 50 U.S.C. 1431 and Executive Order 10789.

040102 Advance Payment Policy

For instructions applicable to advance payment policy and requirements refer to FAR 32.4 and DFARS 232.4. For grants refer to the Office of Management and Budget (OMB) Circulars A-102 and A-110 and Chapter 19 of this volume.

040103 Interagency (Interdepartmental) Supplies and Services

A. General Policy. As authorized by Title 31 U.S.C. 1535 and 1536, various Federal agencies may enter into transactions with each other when it is found to be in the best interest of the government. This applies when one agency is better equipped to acquire or furnish goods or services than another and the items involved cannot be furnished as conveniently or more economically by private enterprise.

1. Orders placed under this section are obligated upon acceptance in writing by the performing agency provided acceptance occurs while the funds are available for obligation.

2. Each activity making an advance under this section accomplishes and monitors all aspects of the advance.

B. Leased Office Space. One agency may furnish another agency a portion of its leased office space and payment may be made in advance, or on any other basis agreed upon, for the proportionate cost of the space, utilities, and services furnished.

040104 Subscriptions to Periodicals

Subscriptions or other charges for newspapers, magazines, periodicals, microfilm libraries, official cable television service, and other publications for official use may be paid in advance when advantageous for economy or otherwise (57 Comp Gen 583 (1978) and 35 Comp Gen 404 (1956)). The total cost of the subscription is a valid charge to the appropriation for the fiscal year (FY) current at the time the subscription is ordered. Subscriptions may extend beyond current FY, begin in a subsequent FY or extend for more than one FY (23 Comp Gen 326 (1943) and 24 Comp Gen 163 (1944)).

040105 Rental of Post Office Boxes and Purchase of Foreign Postage

A. Advance payment of post office box rental is authorized on an annual basis (25 Comp Gen 834 (1946)). A box rented before the beginning of the fiscal quarter must be rented for no less than a full quarter. The United States Postal Service will not refund a portion of the rental if the box is surrendered before the end of the rental period. This policy applies to advance payments of box rent made on a quarterly or an-

nual basis (34 Comp Gen 191 (1954)). The United States Postal Service bills on its Notice No. 32. Upon receipt of this notice, line through the space provided for the Postmaster's signature and attach it to SF 1034, Public Voucher for Purchases and Services Other than Personal, or SF 1080, Voucher for Transfer Between Appropriations or Funds, used for payment. Make the check payable to "Postmaster."

B. Foreign postage stamps may be purchased from imprest funds or by SF 1034. When an SF 1034 is used, the originating office prepares and certifies the voucher and forwards it to the disbursing office. The disbursing office prepares a check and sends it to the originating office. The originating office purchases the stamps and provides the disbursing office with a receiving report. No receipt is necessary as the check endorsement acknowledges payment. When the SF 1034 is used, the prepayment is approved as an exception to normal accounting requirements.

#### 040106 Payments to State and Local Governments

Advance payments may generally be made to state or local governments per 39 Comp Gen 285 (1959), 25 Comp Gen 834 (1946), 58 Comp Gen 29 (1978), and 57 Comp Gen 39 (1978)).

#### 040107 Tuition

For instructions on payment procedures and policies, refer to paragraph 120212.

#### 040108 Foreign Country Requirements

A. Statutory Authority. Title 10, U.S.C., section 2396 authorizes advances of public monies as:

1. Per the laws of foreign countries or their ministerial regulations.

2. For rent in foreign countries for such periods as local custom dictates.

B. Motor Vehicle Operator Permit Fees Overseas. Some foreign countries require per-

sonnel to obtain motor vehicle driver permits to perform their official duties. The fees for the permits may be paid in advance. The tour of duty in the foreign country should justify the expenditure (Comp Gen B-115463, Sep 18, 1953).

#### C. Counsel Fees and Other Expenses in Foreign Courts:

1. Payment of counsel fees and other expenses in foreign courts may be paid before the service is performed.

2. Requests for payment of counsel, bail, or other expenses ordinarily will be made by the defendant, or accused, to the officer (or designee) exercising general court martial jurisdiction. The officer (or designee) determines if the request meets the proper criteria and takes final approval or disapproval action.

3. When appropriate, contracts or letters of commission and understanding will be used to obligate the government for payment of counsel fees, court costs, bail, charges for obtaining copies of records, printing and filing fees, interpreter fees, witness fees, and other necessary and reasonable expenses. The payment of fines or civil damages is not authorized. Payments of bail may be made when authorized in a letter or message by the responsible officer and citing 10 U.S.C. 1037 as the authority. For payments of bail, establish a refund receivable pending return of the bail payment. Clear the refund receivable upon collection, or appropriate evidence that the bail payment will not be refunded. Before posting of bail, members must sign an agreement to refund to the government the amount of the bail, either in cash or payroll deduction, if they willfully cause forfeiture of the bail.

4. The responsible officer certifies the acceptance of the services acquired. Prepare an SF 1034 for payment of authorized charges. Payment will be made in local currency.

#### 040109 Cash on Delivery (COD) Charges

When COD charges are paid from the imprest fund, payment is authorized before contents are examined.

**040110 Purchase of Copyrights or License to Use Patent for Its Life**

An advance payment may be made for a license to use a patent or for the purchase of copyright. The subject matter of the purchase must be within the authorization of the current FY appropriation (22 Comp Gen 904 (1943)). In addition, see paragraph 120208.

**040111 Utility Connection Charges**

Payment of a public utility connection or reconnection charge is not an advance payment. The government receives full consideration upon payment for making available services not otherwise available. Connection or reconnection charges are later reimbursable by a specified monthly refund on the invoice for utility services.

**040112 Petition Fees**

When a petition is made for immigrant status for a person whose services are required, the fee must accompany the petition. In this case the fee is payable in advance.

**040113 Professional Societies**

Memberships in professional societies or associations acquired in the name of the DoD Component may be paid in advance. The purpose of the membership must be to acquire services required for that component, not an individual. The head of the Component or designee makes the determination. The use of appropriated funds is prohibited for the individual benefit of any officer or employee of DoD (see 5 U.S.C. 5946; 31 Comp Gen 398 (1952); 32 Comp Gen 15 (1952); 24 Comp Gen 814 (1945); and 33 Comp Gen 126 (1953)).

**040114 Attendance at Meetings**

A. Payment of registration fees prior to attendance at meetings of technical, scientific, professional, or similar organizations may be made. See paragraph 110104 for personal reimbursements.

B. If the payment is nonrefundable

and the individual fails to attend for reasons beyond the individual's control, do not collect from the individual. However, collect if failure to attend is caused by an action not excused by the individual's supervisor.

**040115 Quarterly Advances to General Services Administration (GSA) for Special Purpose Leased Space**

The GSA bills for building rent in advance each quarter using GSA Form 789, Statement, Voucher, and Schedule of Withdrawals and Credits, or other similar billing form. The charge is at a fixed rate per square foot of space assigned based on costs of building operation and maintenance. Separate cost factors for utilities, rent, elevator service, etc., need not be itemized on the bill.

**0402 LIBRARY DEPOSIT ACCOUNTING****040201 Library Deposit Accounting With Other Government Agencies**

Libraries that obtain government publications and subscriptions from other Federal agencies (e.g., National Technical Information Service, United States Government Printing Office, or Library of Congress) may establish deposit accounts with these agencies. Use the following procedures to establish a deposit account:

A. The librarian forwards a properly prepared SF 1034 through the budget office for review. The SF 1034 should state "for deposits only to new deposit account" or "to replenish previously established deposit account" and show the account number.

B. The disbursing office forwards a copy of the SF 1034 with the check to the named Federal agency (payee). The agency will credit payment to the deposit account.